



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUN 29 2012

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jim Kallas
Environmental Manager
General Iron Industries, Inc.
1909 N. Clifton Avenue
Chicago, Illinois 60614

Re: General Iron Industries, Inc.
Administrative Consent Order EPA-5-12-113(a)-IL-04

Dear Mr. Kallas:

Enclosed is an executed original of the Administrative Consent Order regarding the above-captioned case. If you have any questions about the Order, please contact me at 312-886-3850.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan A. Frank", with a long horizontal flourish extending to the right.

Nathan A. Frank, P.E.
Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure: Administrative Consent Order EPA-5-12-113(a)-IL-04

cc: Ray Pilapil, Air Quality Division
Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

**General Iron Industries, Inc.
Chicago, Illinois**

Sections 113(a)(1) and 114(a)(1) of
the Clean Air Act,
42 U.S.C. §§ 7413(a)(1) and 7414(a)(1)

)
)
) **ADMINISTRATIVE ORDER**
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) **EPA-5-12-113(a)-IL-04**
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Administrative Consent Order

1. The Director of the Air and Radiation Division U.S. Environmental Protection Agency, Region 5, is issuing this Administrative Consent Order (the Order) to General Iron Industries, Inc. (General Iron) under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act (CAA or Act), 42 U.S.C. §§ 7413(a)(1) and 7414(a)(1).

Statutory and Regulatory Background

2. Section 108(a) of the Act, 42 U.S.C. § 7408(a), requires EPA to identify and prepare air quality criteria for each air pollutant, emissions of which may endanger public health or welfare and the presence of which results from numerous or diverse mobile or stationary sources. For each such "criteria" pollutant, Section 109 of the Act, 42 U.S.C. § 7409, requires EPA to promulgate national ambient air quality standards (NAAQS) requisite to protect the public health and welfare. Pursuant to Sections 108 and 109, EPA has identified and promulgated NAAQS for fine particulate matter that is 2.5 micrometers in diameter and smaller (PM_{2.5} (1997)) and certain other pollutants.

3. Under Section 107(d) of the Act, 42 U.S.C. § 7407(d), each state is required to designate those areas within its boundaries where the air quality is better or worse than the

NAAQS for each criteria pollutant, or where the air quality cannot be classified due to insufficient data. An area that meets the NAAQS for a particular pollutant is an "attainment" area. An area that does not meet the NAAQS is a "non-attainment" area. An area that cannot be classified due to insufficient data is "unclassifiable."

4. Section 110 of the Act, 42 U.S.C. § 7410, requires each state to adopt and submit to EPA for approval a State Implementation Plan (SIP) that provides for the attainment and maintenance of the NAAQS.

5. Upon EPA approval, SIP requirements are federally enforceable under Section 113 of the Act, 42 U.S.C. §§ 7413(a), (b); 40 C.F.R. § 52.23.

6. EPA approved Title 35 of the Illinois Administrative Code (35 IAC) 212.301, governing fugitive particulate matter emissions, as part of the Illinois SIP on February 21, 1980. 45 Fed. Reg. 11493.

7. 35 IAC 212.301 provides that no person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally toward the zenith at a point beyond the property line of the emission source.

8. 35 IAC 201.141 requires that no person "cause or threaten or allow the discharge or emission of any contaminant into the environment in any State so as, either alone or in combination with contaminants from other sources, to cause or tend to cause air pollution in Illinois. . . ."

9. "Air Pollution" is defined as "the presence in the atmosphere of one or more air contaminants in sufficient quantities and of such characteristics and duration as to be injurious to

human, plant, or animal life, to health, or to property, or to unreasonably interfere with the enjoyment of life or property." 35 IAC 201.102.

10. Under Section 113(a)(1)(A) of the Act, 42 U.S.C. § 7413(a)(1)(A), the Administrator of EPA may issue an order requiring compliance to any person who has violated or is violating a SIP. The Administrator has delegated this authority to the Director of the Air and Radiation Division. Section 113 also confers a right to meet about such a compliance order. That meeting was held on March 22, 2012.

11. The Administrator of EPA may require any person who owns or operates an emission source to make reports, measure emissions and provide information required by the Administrator under Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1). The Administrator has delegated this authority to the Director of the Air and Radiation Division.

Findings

12. General Iron owns and operates a metals recycling facility at 1909 N. Clifton Avenue in Chicago, Cook County, Illinois (the facility).

13. Illinois Environmental Protection Agency (IEPA) issued an operating permit to General Iron on September 1, 2004, which allows for the operation of two metal shredders, the air emissions of which are controlled by a water suppression system at the facility.

14. The facility currently operates one shredder.

15. The shredder constitutes a part or activity at a stationary source that emits or has the potential to emit any air pollutant.

16. The shredder is an emission unit, as that term is defined 35 IAC 211.1950.

17. Emissions from the facility's shredder are subject to 35 IAC 212.301 of the Illinois SIP, which governs fugitive particulate matter emissions.

18. Cook County, Illinois is presently designated as non-attainment for the NAAQS for PM_{2.5} (1997). 40 C.F.R. §§ 81.301, 81.304.

19. In 2010, EPA received smoke and odor complaints allegedly regarding General Iron.

20. On November 1 and 9, 2010, an EPA enforcement officer conducted site surveillance of the facility.

21. On the morning of November 9, 2010, the EPA inspector observed fugitive particulate matter from the shredder crossing beyond the property line of the emission source at the facility.

22. On December 10, 2010, EPA issued a Notice of Violation (NOV) to General Iron alleging that it violated 35 IAC 212.301 and 35 IAC 201.141.

23. Representatives of General Iron and EPA met to discuss the allegations in the NOV on January 19, 2011.

24. As a result, General Iron performed a feasibility study in 2011 and 2012. General Iron presented its findings and compliance proposal to EPA on March 22, 2012.

Compliance Program

25. General Iron must comply with all requirements of the CAA and Illinois SIP that are applicable to its facility.

26. Until June 15, 2013, General Iron shall operate its shredder in accordance with its IEPA permit, applicable regulations and, except as provided in Paragraph 31, when existing pollution control equipment is in operation. As of the effective date of this Order, existing pollution control equipment includes a customized shredder enclosure and water suppression system.

27. No later than June 15, 2013, General Iron shall complete installation of the capture hood, cyclone and Pedcon UHF High-Efficiency Roll Filter System (Filter System), or equivalent filter system. Thereafter, except as provided in Paragraph 31, General Iron shall operate the capture hood, cyclone and Filter System whenever its shredder is in operation in order to ensure compliance with particulate matter and opacity standards. General Iron shall continue to operate its shredder in accordance with all applicable regulations and the terms of its IEPA permit or, if it has secured a modified permit pursuant to Paragraph 36 of this Order, the revised IEPA permit.

28. The capture hood shall operate within the fan speed range recommended by the manufacturer and its ductwork and components shall be maintained in good operating condition in order to achieve compliance with particulate matter and opacity standards.

29. General Iron shall notify EPA within 30 days after completion of the installation of the capture hood, cyclone and Filter System.

30. General Iron shall submit to EPA an Operation and Maintenance Plan for its customized shredder enclosure, water suppression system, capture hood, cyclone and Filter System no later than 90 days after the date installation of the cyclone and Filter System was completed.

31. If there is a pollution control system malfunction, General Iron may continue to operate the shredder only if it is operating in compliance with all emission limits and applicable regulations. If emission limits and regulations are exceeded, the shredder shall cease operation until compliance is achieved.

32. After installation of the capture hood, cyclone and Filter System is complete, General Iron shall perform visible emission observations for at least thirty (30) minutes once per

month for twelve (12) months with a certified reader in accordance with EPA Method 9, 40 C.F.R. Part 60, Appendix A on its shredder while the shredder is operating at a process rate as high as practicable, but no less than 315 tons per hour (TPH). The results, including the estimated process rate at the time of the observations, will be submitted to EPA in each Calendar Quarterly Report required under Paragraph 35 below.

33. After installation of the capture hood, cyclone and Filter System is complete, General Iron shall observe, looking generally toward the zenith at a point beyond the property line of the facility, fugitive particulate matter for at least thirty (30) minutes once per month for twelve (12) months while the shredder is operating at a process rate as high as practicable, but no less than 315 TPH. Each observation will include taking a photograph every six minutes, totaling five (5) photographs in the 30-minute period. A report of each observation, including all photos and the estimated process rate at the time of the observations, will be submitted to EPA in each Calendar Quarterly Report required under Paragraph 35 below.

34. General Iron will also perform 30 minute observations and take photographs as set forth in Paragraph 33 any time the shredder is operated during the malfunction of any pollution control system as set forth in Paragraph 31. If the malfunction lasts more than one day, General Iron shall perform 30-minute observations each day the malfunction lasts. A report of each observation, including all photos, will be submitted to EPA in each Calendar Quarterly Report required under Paragraph 35 below.

35. No later than 30 days after the end of each calendar quarter throughout the duration of this Order, General Iron shall submit to EPA a Calendar Quarterly Report on the performance of its pollution control system, report any exceedance of emission limits and regulations that occurred, submit a list of and description of all air emission complaints it

received that can reasonably be attributed to General Iron, the results of each emissions observation required under Paragraphs 32, 33 and 34, and an update of all permit activity required by Paragraph 36 this Order.

36. Within ninety (90) days of the effective date of this Order, General Iron shall submit a permit modification request to IEPA so that its operating permit includes the proposed pollution control equipment and operating conditions, as described in this Order, and shall contemporaneously submit a copy of the request to EPA. The request shall include pollution control equipment specifications, including, but not limited to: dimensions, design capacity, flow, etc., as applicable, of General Iron's water suppression system, capture hood, cyclone and Filter System.

37. General Iron must send all reports required by this Order to:

Attn: Compliance Tracker, AE-17J
Air Enforcement and Compliance Assurance Branch
EPA, Region 5
77 W. Jackson Boulevard
Chicago, Illinois 60604

General Provisions

38. This Order does not affect General Iron's responsibility to comply with other local, state and federal laws and regulations.

39. This Order does not restrict EPA's authority to enforce the Illinois SIP or any other section of the Act.

40. Nothing in this Order limits EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, 42 U.S.C. § 7413, for General Iron's alleged violation of the Illinois SIP.

41. Failure to comply with this Order may subject General Iron to penalties of up to \$37,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

42. The terms of this Order are binding on General Iron, its assignees and successors. General Iron must give notice of this Order to any successors in interest, prior to transferring ownership and must simultaneously verify to EPA, at the above address, that General Iron has given the notice.

43. General Iron may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If General Iron fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

44. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 et. seq., because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts, please provide your response to this Order without staples. Paper clips and binder clips are acceptable.

45. EPA may use any information submitted under this Order in an administrative, civil or criminal action.

46. General Iron agrees to the terms of this Order.

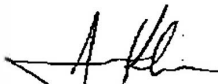
47. Each party agrees to bear its own costs and attorneys fees in this action.

48. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate two years from the effective date, provided that General Iron has complied with all terms of the Order throughout its duration.

In the matter of:
General Iron Industries, Inc.
Administrative Consent Order
EPA-5-12-113(a)-IL-04

6/28/12

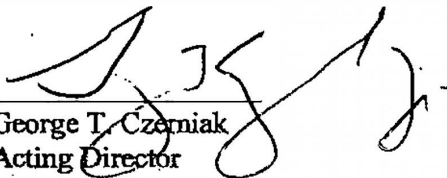
Date



Jim Kallas
Environmental Manager
General Iron Industries, Inc.

6/29/12

Date



George T. Czerniak
Acting Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent the Administrative Order, EPA Order No. EPA-5-12-

113(a)-IL-04, by Certified Mail, Return Receipt Requested, to:

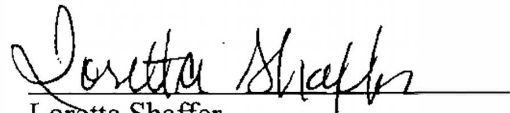
Jim Kallas
Environmental Manager
General Iron Industries, Inc.
1909 N. Clifton Avenue
Chicago, Illinois 60614

I also certify that I sent a copy of the Administrative Order, EPA Order No. EPA-5-12-

113(a)-IL-04, by First-Class Mail to:

Ray Pilapil, Chief
Bureau of Air
Compliance and Enforcement Section
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

On the 29 day of June 2012.



Loretta Shaffer
Administrative Program Assistant

CERTIFIED MAIL RECEIPT NUMBER:

70091680000076729642